

Replace #1 Primary Air Fan motor and associated fan bearings.

PROJECT INFORMATION

Location:	Desert View Power LLC	Acq. Type:	Purchase
Project Name:	#1 PAF Motor Replacement	Asset Type:	Machinery & Equipment
Project Type: <input checked="" type="radio"/> Replacement of existing equipment <input type="radio"/> New Purchase <input type="radio"/> Betterment			

JUSTIFICATION OF NEED (Describe project requirements, benefits/savings of project, and impact of deferral)

#1 Primary Air Fan motor failed during operation on June 17, 2020. The motor inboard bearing failed causing the rotor to damage the stator beyond repair. This misalignment also created damage in the fan inboard and outboard bearings. A spare motor was not found in inventory. Unit 1 couldn't be placed into service until this motor was replaced.

SCOPE (Include scope of current request, vendors involved, any future project phases, and alternatives considered)

A search for a replacement motor was made thru several vendors (Kaman, Reed Electric, Ethos, East Coast). East coast was the only vendor with a used motor in stock that had required ratings matching our needs. Ethos provided mechanical support for the removal of the old motor, replacement of the fan bearings and reinstallation of the purchased used motor. Reed Electric modified the motor base and re-tested the motor before installation.

PROJECT SCHEDULE

	Planning	Design	Install	In Service	Notes
Date (MM/YY)	06/20	06/20	06/20	06/20	This outage occurred over period Jun 17-27, 2020.

PROJECT COST

Approved in Budget		<u>No</u>	If Yes, % Amt Approved		\$0.00
			Total Project Cost		\$77,558.25
Vendor	Item Description	MM/YY	Qty	Unit Price	Total Price
Ethos	Motor and fan bearing installation	06/20	1	\$17,300	\$17,300
Reed Electric	Modify New motor base and test spare motor	06/20	1	\$13,658	\$13,658
East Coast Motor	Supplied new (used) motor	06/20	1	\$40,600	\$40,600
Freight Quote	Freight to ship motor from North Carolina to CA.	06/20	1	\$6,000	\$6,000
				\$0	\$0
				\$0	\$0
				\$0	\$0
				\$0	\$0

INSTRUCTIONS


1. The cost of the project should include all costs included to bring the asset to its intended use. Including, sales tax, freight, labor and materials for installation.

FOR ACCOUNTING

Project Number _____
Date Placed in Service _____

SIGNATURE OF APPROVAL

See Delegation of Authority Policy for signature requirements

Approver	Signature	Date
		9/10/2020
Print Name: James Robertson		

Approver	Signature	Date
Print Name: Mitchell Martin		

Approver	Signature	Date
Print Name: Greg Cook		

Mitchell Martin

From: Mitchell Martin
Sent: Friday, September 11, 2020 1:20 PM
To: Violeta Hernandez
Cc: Jim Robertson; Matt Brown
Subject: FW: #1 PAF Motor CAPEX approval form
Attachments: DVP - PA fan motor CapEx jr mm.pdf

Bro, please see Greg's approval below to the attached CapEx form.

DVP had a large motor failure in July and we are going to re-class the expenses as CapEx. Let me know if you need anything else.

Mitchell
(916) 596-2514

From: Greg Cook <gcook@greenleaf-power.com>
Sent: Friday, September 11, 2020 11:53 AM
To: Mitchell Martin <mmartin@greenleaf-power.com>
Cc: Jim Robertson <jrobertson@desertviewpower.com>
Subject: RE: #1 PAF Motor CAPEX approval form

Approved

Greg Cook
President & CEO
Greenleaf Power
2600 Capital Avenue
Sacramento Ca, 95816

Office – (916) 596-2501
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From: Mitchell Martin <mmartin@greenleaf-power.com>
Sent: Friday, September 11, 2020 10:13 AM
To: Greg Cook <gcook@greenleaf-power.com>
Cc: Jim Robertson <jrobertson@desertviewpower.com>
Subject: FW: #1 PAF Motor CAPEX approval form

Greg,

For your approval. Jim and I were reviewing some items with Matt Brown yesterday and he gave guidance that we should capitalize the PA fan motor work from July.

Capitalization will represent a favorable impact to July/August EBITDA of \$77.5k as we re-class expensed items. We are working on similar effort for the wood hog project that will result in another favorable EBITDA variance, probably \$40-60k (depending on how some 2019 expenses were handled – long story). No re-approval necessary for the wood hog, just FYI.

Mitchell
(916) 596-2514

From: Jim Robertson <jrobertson@desertviewpower.com>
Sent: Friday, September 11, 2020 10:03 AM
To: Mitchell Martin <mmartin@greenleaf-power.com>
Subject: RE: #1 PAF Motor CAPEX approval form

Here's update-good catch.

From: Mitchell Martin <mmartin@greenleaf-power.com>
Sent: Friday, September 11, 2020 7:54 AM
To: Jim Robertson <jrobertson@desertviewpower.com>
Subject: RE: #1 PAF Motor CAPEX approval form

Jim, does this include the freight we paid? I seem to recall we did a team drive from the east coast, I assume that was a decent amount of \$\$ and should be included.

Mitchell
(916) 596-2514

From: Jim Robertson <jrobertson@desertviewpower.com>
Sent: Thursday, September 10, 2020 7:31 PM
To: Mitchell Martin <mmartin@greenleaf-power.com>
Subject: #1 PAF Motor CAPEX approval form

Mitchell,
Please sign attached and forward to Greg for approval.
Thanks,

Jim Robertson
Plant Manager
62-300 Gene Welmas Drive
Mecca, CA 92254-0758
Office: 760-262-1682
jrobertson@desertviewpower.com
www.greenleaf-power.com

